
Tips for Being Debt Free

1. Identify financial goals: Are you thinking about the future? Or are you more concerned with the here and now? Where do you see yourself in 5, 10, 25 years?

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2. Determine where your money goes: Tracking expenses can really be an eye-opener – knowing where your money goes is the first step in taking control of it.

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3. Define Needs vs. Wants

Identify which expenditures were essential and which were non-essential. An easier term to remember is *Needs* vs. *Wants*. Which expenses were Needs (N) and which were Wants (W)?

4. Convert debt reduction to a retirement investment

Pay off debt when possible and reduce credit card spending by understanding how you spend money. Invest the dollars that were previously used for debt payments. Find additional ways to save for the long term.

5. Become DEBT FREE!

The moral -- save early, so your money can work for you – no matter how small the amount. And pay it forward – teach those around you the value of living debt free.

Ideas for Reducing Spending

Ideas that won't cramp your style

- Use grocery list
- Don't shop when hungry
- Clip coupons and buy bulk foods
- Combine errands
- Bring lunch to work a few times a week
- Leave credit cards at home
- Take advantage of online deals – Groupon, LivingSocial

Estimated monthly savings: \$50

Ideas that might cramp your style

- Shop at consignment/thrift stores
- Use economy car or public transportation
- Eat only one meal out each week
- Cancel cable TV or cell phone service
- Netflix or RedBox vs. going to movies
- Lower winter thermostat - raise in summer

Estimated monthly savings: \$250

Ideas that will cramp your style

- Eat out only once a month
- Use public transportation or bicycle often
- Cancel cable TV, cell phone, & Internet
- Visit the library vs. bookstore
- Share living costs with a roommate
- Read books on ways to be thrifty

Estimated monthly savings: \$500

Find ways to save that fit your lifestyle!